



# Lean Enterprise Transformation Framework

## DoD CPI Symposium

Jayakanth “JK” Srinivasan  
Massachusetts Institute of Technology  
May 13, 2008

# Creating a Holistic Approach to Enterprise Transformation

## Implementation Issue

---

How do I motivate and sustain enterprise transformation?

How do I transform my enterprise to lean?

What analytical tools can I use to support my decision making?



## Enterprise Tool

---

7 Principles of Lean Enterprise Thinking

Enterprise Transformation Roadmap

Enterprise Architecting Framework

Enterprise Strategic Analysis and Transformation (ESAT)

# 7 Principles of Lean Enterprise Thinking

**1.**

Adopt a holistic  
approach to  
enterprise  
transformation.

**2.**

Identify relevant  
stakeholders and  
determine their  
value propositions.

**3.**

Focus on  
enterprise  
effectiveness  
before efficiency.

**4.**

Address internal  
and external  
enterprise  
interdependencies.

**5.**

Ensure stability  
and flow within  
and across the  
enterprise.

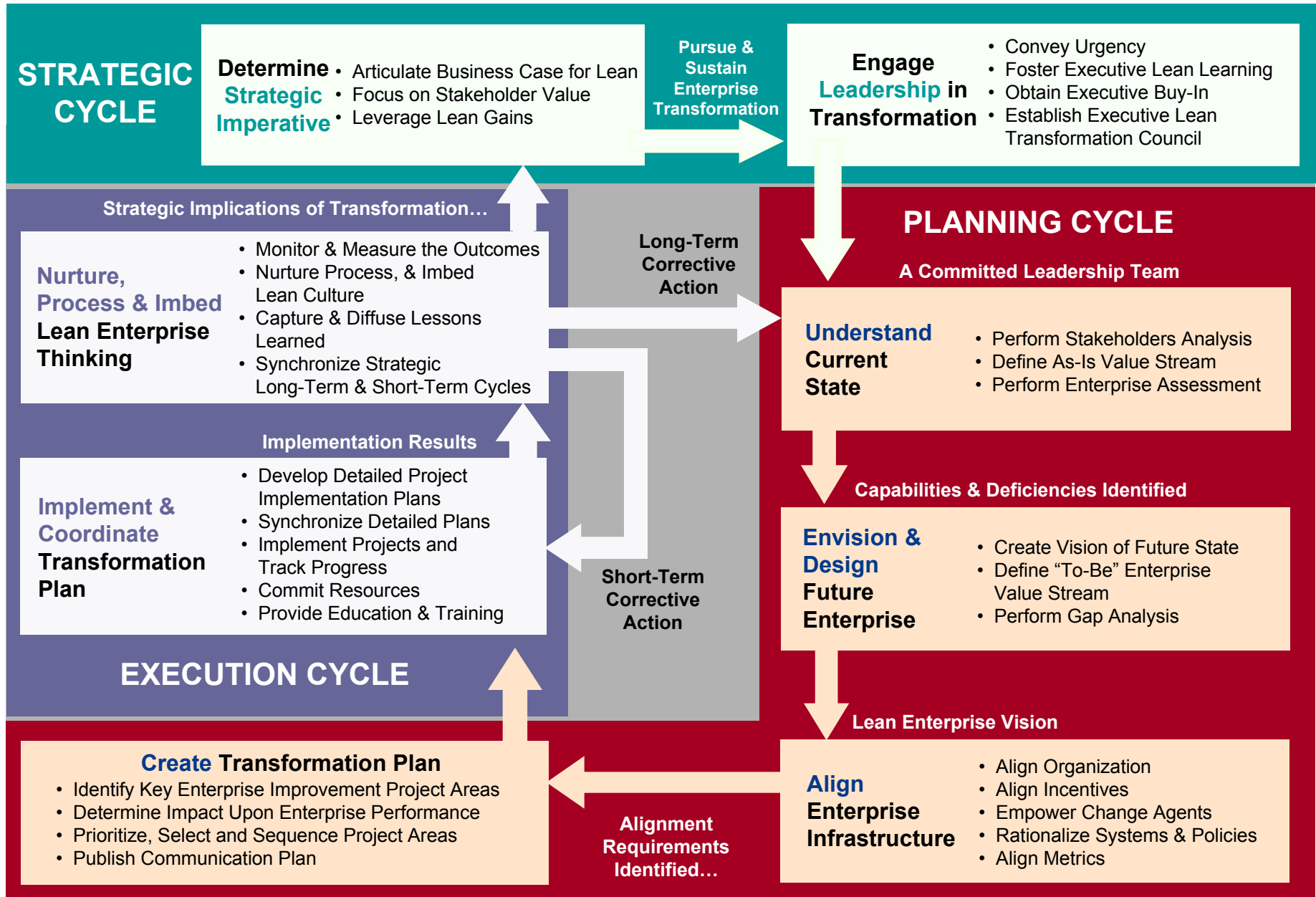
**6.**

Cultivate  
leadership to  
support and drive  
enterprise  
behaviors.

**7.**

Emphasize  
organizational  
learning.

# LAI MIT Enterprise Transformation Roadmap

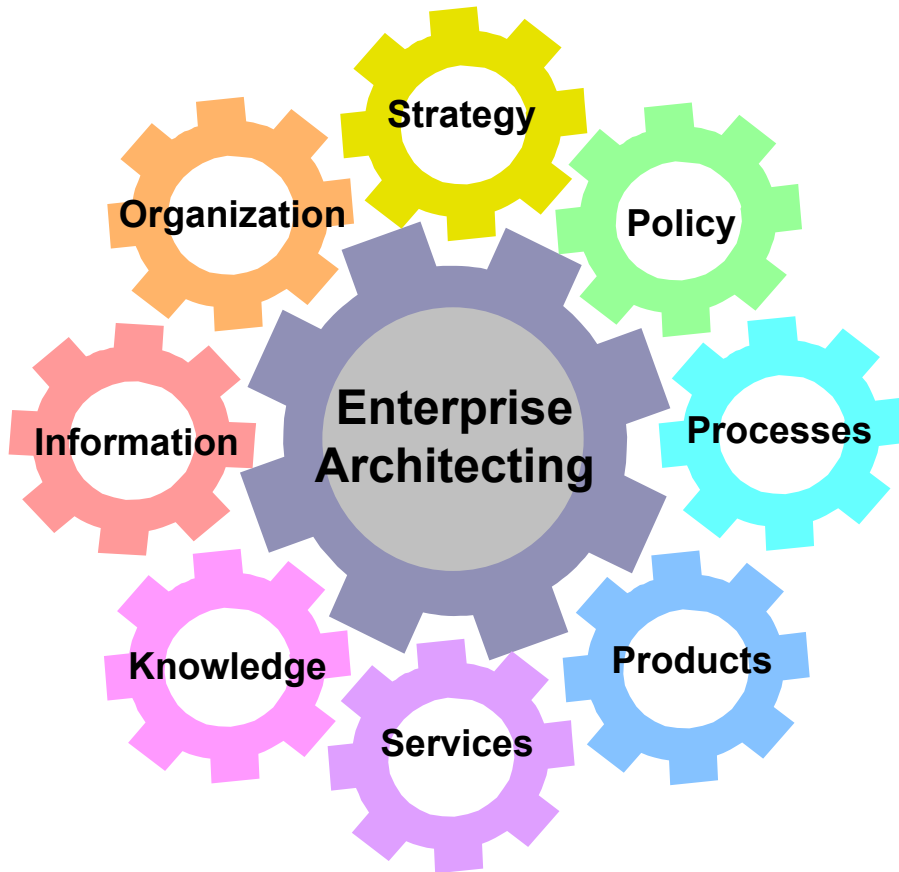


# Enabling Enterprise-Level Capability

<b>Strategy</b>	<b>Goals, Vision, ..., Business Model</b>
<b>Doctrine</b>	<b>First Principles; Overarching</b>
<b>Organization</b>	<b>More than an Org Chart – Culture; Behaviors, Clear Roles and Responsibilities</b>
<b>Training</b>	<b>Individual to Organizational; Developing Process Capability through Constructive Task Proficiency and Execution – Outcome is a Learning (Enterprise) Organization</b>
<b>Material</b>	<b>Product/Service Development for Success throughout the Lifecycle</b>
<b>Leadership</b>	<b>Situational Awareness → Decision Processes → Command and Coordination; Tacit and Implicit Knowledge</b>
<b>Personnel with others</b>	<b>Knowledge and awareness drive actions and create synergy</b>
<b>Facilities</b>	<b>Deliberate inclusion in EA for Infra/Info-Structure prevents Islands of Excellence; creates Neighborhoods of Success</b>

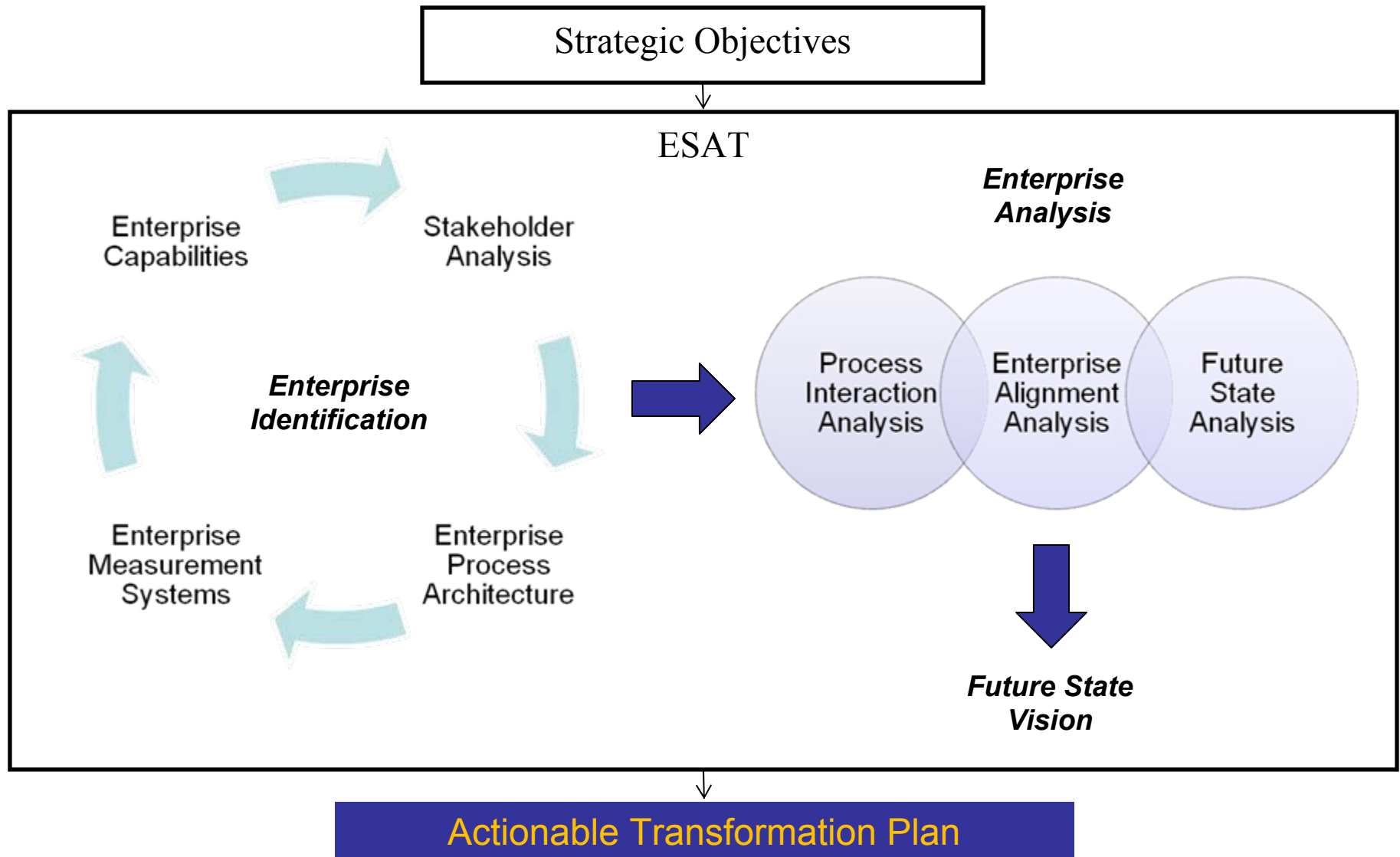
Source: Nightingale and Matty, March 04 Army Brief

# Enterprise Architecting – *Enables Greater Efficiency and Effectiveness*



- Effective integration – managing complex interdependencies
- System optimization, not local optimization
- Knowledge-based enterprise capabilities
- Achieving desired future state characteristics
  - Agility
  - Flexibility
  - Reconfigurability

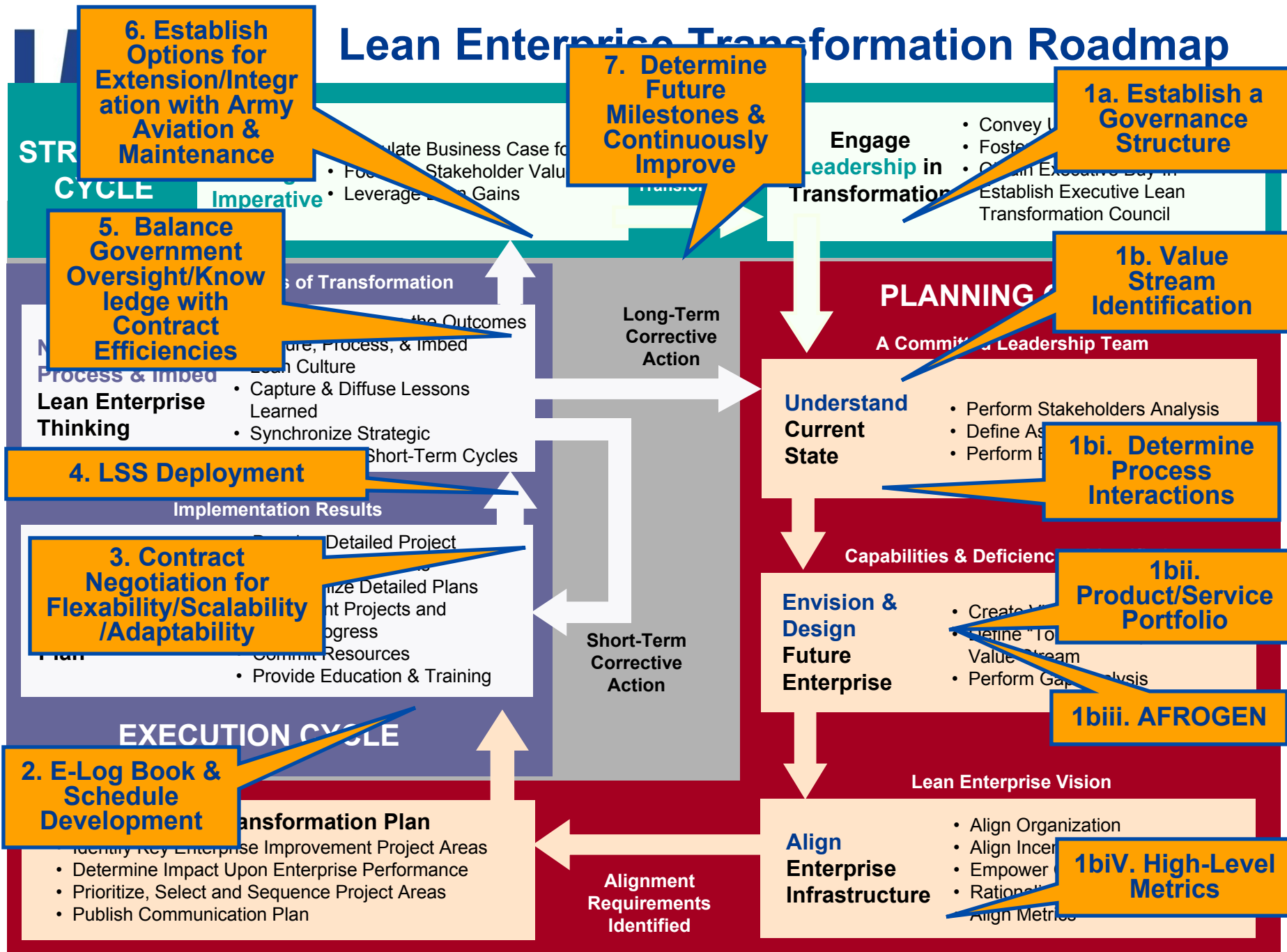
# Enterprise Strategic Analysis and Transformation



[illegible]



# Lean Enterprise Transformation Roadmap



- **Enterprise transformation is a journey that is**
  - *Driven both top-down and bottom-up*
  - *Enabled by a thorough understanding of the enterprise's process architecture, measurement systems, and capabilities*
  - *Focused on stakeholder-centric value delivery*
  - *Guided by the 7 principles of lean enterprise thinking*
  - *Sustained through continuous enterprise architecting*